

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1861 - HB 1956

March 5, 2009

SUMMARY OF BILL: Requires the Tennessee Consolidated Retirement System (TCRS) to pay multiple beneficiaries effective January 1, 2010.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$506,200/One-Time

Increase Federal/Other Expenditures - \$93,800/One-Time

Increase Local Expenditures - \$150,000/One-Time*

Assumptions:

- According to the TCRS, including a multiple beneficiary designation by January 1, 2010, will require a major information system enhancement to TCRS by restructuring the entire database design of the current payroll system.
- According to the TCRS, the estimated cost could exceed \$750,000 and is based on an estimated cost of approximately \$500,000 ten years ago for a major redesign of one segment of the system.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

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